# STATE OF IOWA BEFORE THE IOWA UTILITIES BOARD

IN RE:

INTERSTATE POWER AND LIGHT COMPANY

DOCKET NOS. TF-2016-0321, TF-2020-0237, TF-2020-0238

#### INTERSTATE POWER AND LIGHT COMPANY REPLY

COMES NOW, Interstate Power and Light Company (IPL) and, pursuant to the lowa Utilities Board's (Board) October 6, 2020 Order Requiring Additional Information (October 6 Order), hereby submits its reply to the comments filed in this proceeding.

#### Information Request No. 1

Several comments stated a desire for various financing structures to be eligible for the Inflow-Outflow DG Billing Tariff. As IPL noted in it is initial response to the Board filed on October 16, 2020, IPL's proposed Inflow/Outflow Billing Tariff does not restrict participation on the billing rate based on ownership structure, so long as the distributed generation facility itself meets the eligibility requirements in lowa Code § 476.49(1)(e).

### Information Request No. 2

Several commenters requested that the Board require "virtual" aggregation of customer accounts that are located at different geographic locations. For the reasons explained in IPL's response to the Board's information request filed on October 16, 2020, such aggregation is inconsistent with Senate File 583 and IPL's Original Tariff No. 1, General Rules and Regulations, Section 6.04.

#### Information Request No. 3

Several commenters, including the Office of Consumer Advocate (OCA), filed comments requesting that IPL modify its proposed tariff language to allow distributed generation customers to establish an updated size limit based on actual usage data or

the most recent three-year average annual usage. OCA further noted that it may be necessary for the customer to install a separate meter to measure the customer's actual and updated usage.

In its initial response, IPL proposed an update to the language in Terms and Conditions No. 7 to reflect an estimation method for annual energy usage in absence of 12 months of historical usage that is similar to the language used by MidAmerican Energy Company in its tariff. IPL also noted in response to Information Request No. 6, that if a customer requests a new interconnection agreement in order to increase the size of its distributed generation facility, IPL and the customer would review the customer's current and anticipated usage and, if the usage can reasonably be assumed to increase or has increased, IPL would use the customer's new anticipated usage to determine the 110 percent threshold. IPL believes this clarification provides appropriate flexibility to address changes in customer usage over time.

OCA's comments also stated that it "may be necessary for the customer to install a separate meter to measure the customer's actual and updated usage." This would differ from IPL's current standard for metering distributed generation. IPL's current standard for metering distributed generation measures the amount of energy the customer consumed from the utility and the amount the customer exported to the grid. As IPL understands OCA's proposal, the additional metering would also measure the gross amount produced by the distributed generation facility (production metering). The use of production metering would have some benefit in determining the gross amount produced by the distributed generation facility and, when compared to the bi-directional data, could provide insight into the usage and production characteristics of a distributed generation

customer. However, IPL does not believe it is necessary to implement such a metering requirement in its current version of the IF/OF tariff.

#### Information Request No. 4

IPL agrees with the OCA that it is fair to allocate RECs associated with Outflow Purchases to all utility customers because utility customers are required to purchase all outflow energy, within the statutory limits, at the DG customer's retail rate which is much higher than utility avoided cost rates. IPL also agrees with MidAmerican Energy Company's (MidAmerican) comments filed in Docket Nos. TF-2016-0323 and TF-2020-0235 on October 16, 2020 noting that the inflow-outflow billing structure represents a significant change to the current net metering policy and, thus, requires a change in the treatment of RECs. IPL also agrees with MidAmerican that if outflow purchases represent renewable energy, then RECs should be transferred as part of that energy purchase.

#### Information Request No. 5

IPL has no further comments at this time.

#### Information Request No. 6

IPL believes its initial response to the Board filed on October 16, 2020 appropriately addresses the issues raised by commenters.

#### Information Request No. 7

MidAmerican in its comments filed October 16, 2020 in Docket Nos. TF-2016-0323 and TF-2020-0235 correctly reflected on IPL's Terms and Conditions No. 5 of the Inflow-Outflow DG Billing Tariff as: "...additional language ... that further interprets and clarifies the on-site electric requirements criterion." Nonetheless, in IPL's response to the Board filed on October 16, 2020, IPL proposed updates to Terms and Conditions No. 5 to mirror the statutory eligibility criteria in Iowa Code § 476.49(1)(e); however, IPL notes that the

resale of electric service provided by IPL, including through electric vehicle charging stations, is addressed in Section 5.13 of IPL's Electric Tariff. Thus, provisions governing resell of power provided by IPL are not necessary to restate in the Inflow-Outflow DG Billing Tariff. See also IPL's reply comments in response to Information Request No. 8 below regarding the statutory eligibility criteria in lowa Code § 476.49(1)(e).

#### Information Request No. 8

As IPL noted in its initial response, IPL supports the expansion and proliferation of highly fuel-efficient battery electric vehicles and plug-in hybrid electric vehicles (collectively, EVs), as IPL and its customers will benefit from the increased load that can be used to help control and offset customer costs. Based on IPL's review of the comments that have been filed in this docket, the commenters continue to inappropriately conflate the Board's rules and the Inflow-Outflow billing eligibility requirements in lowa Code § 476.49(1)(e).

IPL explained in its initial comments that the Board's rules at 199 IAC 20.20 address the issue of whether a commercial or public electric vehicle charging station meets the definition of a public utility. IPL agrees that this analysis is relevant to the Inflow-Outflow DG Billing Tariff because the definition of a "Distributed generation customer" in lowa Code § 476.49(1)(b) specifically excludes public utilities. However, lowa Code § 476.49(1)(e) also requires that in addition to not being a public utility, "[t]he facility's generating capacity and associated energy is intended to serve only the on-site electric requirements of the customer."

IPL agrees with MidAmerican's comments filed October 16, 2020 in Docket Nos. TF-2016-0323 and TF-2020-0235 that sales of energy to members of the general public for use in vehicles not owned by the utility's customer and in locations far removed from the customer's meter cannot reasonably be considered requirements of the utility's

customer. As MidAmerican notes, when a customer uses its own generation to produce electricity that is sold to the public for compensation through an EV charging station the electricity is the product itself; it is not used to meet the on-site electric requirements of the customer. MidAmerican notes, as IPL did in its initial response, that there are cases where electric vehicle charging could be included in a customer's on-site electric requirements. However, if the facility's generating capacity and associated energy is not intended to serve only the on-site electric requirements of the customer, the facility is not eligible for inflow-outflow billing.

The OCA's comments request that the Board include an explicit statement that IPL's tariff language shall not be interpreted or construed to preclude or limit any EV charging customer from eligibility for the inflow-outflow tariff so long as that customer complies with the Board rule 20.20. IPL does not believe such a statement is necessary. IPL's tariff already permits a customer to resell the electric service provided by IPL for electric vehicle charging. See Section 5.13 of IPL's Electric Tariff. Eligibility for inflow-outflow billing is determined by lowa Code § 476.49(1)(e), not the Board's rules at 20.20.

#### Information Request No. 9

IPL has no further comments at this time.

**WHEREFORE**, IPL respectfully requests that the Board accept IPL's reply comments filed pursuant to the Board's October 6 Order requiring additional information.

Dated this 21st day of October, 2020.

Respectfully submitted,

## INTERSTATE POWER AND LIGHT COMPANY

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